

## HOW TO PROCESS EXPENDITURE REFUNDS (ER)

The purpose of this fact sheet is to document the way expenditure refunds (ERs) are received by the Commonwealth and how these refunds will be recorded in MMARS using the new Cash Deposit (CD) and Cash Transfer (CT) transaction. The way expenditure refunds are processed will depend on whether the deposit of cash was done through a sweep account or at the Treasury Window.

The procedure for processing ER's that are originally processed in MMARS and DEPOSITED through a sweep account is as follows:

The department needs to prepare and enter an ER into MMARS. A copy of the ER, along with a completed CD Form, should then be sent to Treasury for input.

The CD Form should be for a negative amount. The negative CD should be coded with an accounting distribution equal to where the receipt for the ER was originally posted (the sweep account). Departments do not have to enter a negative CT as the CT is now a zero dollar transaction.

The CD Form replaces the CR Form that was formerly used by departments and sent to the Treasury. The CD transaction now handles both sides of the transaction so that a department no longer has to process a negative CR transaction.

The procedure for processing ER's that are NOT DEPOSITED into sweep accounts and are deposited directly to the Treasury Window is as follows:

The department needs to prepare and enter an ER into MMARS and send a copy of it, along with the check, to the Treasurer for input. A CD Form is not necessary because the cash was never posted to MMARS (as occurs in the sweep process). Therefore, revenue does not have to be decreased.